



**THE NAVAJO NATION**  
**DIVISION OF NATURAL RESOURCES**  
*"Land, Water, Power, and Quality of Life"*

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JOE SHIRLEY, JR.  
PRESIDENT

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January 22, 2009

Director,  
Financial Assistant Programs Division  
Agricultural Management Assistance Program Comments  
Post Office Box 2890 Room 5237-A  
Washington D.C. 20013

**RE:   Agricultural Management Assistance Program Interim Final Rules with  
Request for Comment**

Dear Director

Thank you for the opportunity to provide comments on the *Interim Final Rules for the Agricultural Management Assistance Program* that were published on November 20, 2008 in the Federal Register. This program has the potential of begin a very important partner the Navajo Nation's farmers and ranchers. In past years this program has failed to live up to its potential on the Navajo Nation. Far too many EQUIP contracts have been cancelled on the Navajo Nation, and far too few producers are able to effectively participate in these programs. Hopefully by creating rules that fairly and equitably treat the Navajo Nation producers, USDA will establish a program that lives up to all of our expectations. The proposed interim rules include a number of program improvements, along with areas that create questions.

1.     *The definition of a "historically underserved rancher or farmer"*

The modification of the definition is a key measure. For the purpose of determining federal payment rates, in Section 1465.3, the USDA has merged the definition of the "historically underserved producer" to include: a beginning farmer or rancher, a socially disadvantaged farmer or rancher, or a limited resources farmer or rancher. This definition may not be completely logical, no necessarily be accurate. However, it appears that this broader definition was an earnest attempt by the USDA to bring sorely needed flexibility to these programs. Presumably under this new definition every individual producer on the Navajo Nation will be considered "historically underserved." If there is any way that program manager may not Reach this conclusion, then the definition needs to be modified to make that aspect more explicit.

2. *The definition of a “limited resources rancher or farmer”*

USDA has retained the definition that a “limited resources rancher or farmer” is a rancher or farmer who is below the poverty level and has an income less than 50 percent of the countywide median. This definition fails to recognize that, as a practical matter, virtually every small farmer on the Navajo Nation is a limited resources rancher or farmer due to the extremely difficult institutional, environmental, and agronomic conditions on the Navajo Nation. If the USDA managers intend to use the term “limited resources farmer or rancher” to distinguish or discriminate between any level of USDA services or repayments, then the definition needs to be expanded to more broadly address ranchers and farmers facing these difficult circumstances. If this term is no longer being used for any purposes then is still needed at all?

3. *The term cost share payment.*

NRCS has replaced the term payment with “cost share payment” to adequately describe how participants will be compensated based on costs incurred. There is a lengthy list of activities that appear to be eligible for costs incurred including: planning, design, materials, equipment, installation, labor, management or training.” The NDWR has provided a number of programmatic supports to benefit EQUIP contractors in the past including archeological clearances, planning, and management. However, none of those contributions have ever been included toward a cost share payment. Presumably the need for a whole range of additional institutional support on the Navajo Nation is implicitly included in the lengthy list of eligible costs. But, in reality one has been included in the cost share assessment.

4. *The AGI and Program eligibility*

The rules note that requirements necessitate that NRCS obtain from the legal entities a list of all members, including their social security numbers and per interest the legal entity. Text has been added that requires participants to supply other information “as required by NRCS to determine payment eligibility.” The collection of this type of information has at times been very burdensome and time-consuming. Some waiver process is needed so that a contract can proceed if *substantially* all of the members are listed. If, as the previous USDA definitions imply, all of the Navajo producers will fall into the “historically underserved” producer category, then NRCS has minimum need to collect any further information to determine payment eligibility. Obviously no income related data is needed. However, unless it is stated explicitly that NRCS staff should not be collecting information that they have no need for, they will still collect it anyway.

Thanks again for this opportunity to provide these comments. If you have any questions, please contact me at (928) 871-6592.

Sincerely,  
**THE NAVAJO NATION**

A handwritten signature in black ink, appearing to read 'Arvin S. Trujillo', with a stylized, flowing script.

Arvin S. Trujillo  
Executive Director